THE MADRAS LEGISLATIVE COUNCIL.

Saturday, the 1st April 1961.

The House met in the Council Chamber, Fort St. George, at three of the clock, Mr. Chairman (THE HON. DR. P. V. CHERIAN) in the Chair.

I.—QUESTIONS AND ANSWERS.

STARRED QUESTIONS.

Acquisition of land

* 4 *S.N.Q.*—DR. A. SREENIVASAN: Will the Hon. the Minister for Industries be pleased to state—

(*a*) whether it is a fact that the Government have prohibited acquisition of land within the City limits; and

(*b*) if so, the reasons therefor?

THE HON. SRI R. VENKATARAMAN: (*a*) Government have ordered that in future land within City municipal limits should not be acquired under Land Acquisition Act for housing.

(*b*) The attention of the hon. Member is invited to the statement made by me on the floor of the House at the conclusion of the discussions regarding the State Housing Board Bill on 6th March 1961.

DR. A. SREENIVASAN: Will this prohibition order affect people who have acquired land with the idea of building small houses even though they purchased the land at the prevailing market rates?

THE HON. SRI R. VENKATARAMAN: I am afraid the hon. Member has not understood the order. No proceedings by way of land acquisition will be started by Government for acquiring lands in future within the City municipal areas for the purpose of housing. That means, private transactions will go on as they like. For slum clearance land will be acquired. For Harijan house-sites, it will be acquired. It will not be acquired for housing colony schemes which are taken up in large areas for the purpose of developing housing colonies because the schemes have a tendency to force prices up.

VIDWAN T. MUTHUKANNAPPAN: *இந்த நிலே ஆர்ஜிதத் தடை உத்திரவு பல மாதங்கள் அல்லது சில வருஷங்களுக்கு முன்பு ஏற்கனவே தொடங்கிக் கடிதப் போக்குவரத்தில்* (already under correspondence) *இருக்கும் நிலங்கள் விஷயத்திலும் அமுல்படுத்தப்படுமா?*

THE HON. SRI R. VENKATARAMAN: That will depend on the facts of each case. In these cases, that is, where proceedings have been started before this order was passed, the order will not apply. But where lands will be allowed to be acquired will depend upon the circumstances of each case.

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SRI MOHAMED RAZA KHAN : Is it because of the decision of the Housing Board that the Government came to issue this order or is it because large plots of land are not available in the City?

THE HON. SRI R. VENKATARAMAN : The Government decided in 1959 to develop neighbourhoods. Pursuant to that decision this order was made. That is, it is unnecessary to take up lands within municipal limits for development by building houses.

DR. A. SREENIVASAN : Will this order affect private transactions between individuals in the matter of acquisition of lands?

THE HON. SRI R. VENKATARAMAN : The word 'acquisition' has a technical meaning. When I used that word, I meant, 'acquisition under the Land Acquisition Act', not buying and selling. There can be no objection and there will be no impediment whatsoever to private transactions going on.

VIDWAN T. MUTHUKANNAPPAN : இந்தத் தடை உத்திரவு எவ்வளவு காலம் நீடிக்கலாம் ?

THE HON. SRI R. VENKATARAMAN : இப்பொழுது சொல்வதற்கில்லை.

Panchayat Boards

* 223 Q.—DR. A. CHIDAMBARANATHAN : Will the Hon. the Chief Minister be pleased to state—

(*a*) the names of panchayat boards that were superseded (i) during 1959–60 and (ii) from April to November 1960;

(*b*) the reasons for the supersession; and

(*c*) the number of panchayats brought into existence between April and November 1960?

THE HON. SRI R. VENKATARAMAN (on behalf of the Hon. the Chief Minister) : (*a*) Kombai Panchayat in the Periakulam taluk of Madurai district, was superseded for the period from 16th September 1959 to 15th September 1960. Vilathikulam Panchayat in the Koilpatti taluk of Tirunelveli district remained superseded during the period from 23rd July 1958 to 22nd July 1959.

(*b*) The above panchayats were superseded on account of mal-administration due to faction, etc., among the members of the panchayat.

(*c*) One thousand seven hundred and eighty-two panchayats were brought into existence from 1st April to 30th November 1960.

DR. A. CHIDAMBARANATHAN : விளாத்திகுளம் பஞ்சாயத்து போர்டையும் கோம்பை பஞ்சாயத்து போர்டையும் இப்போது புதுப்பித்திருக்கும்பொழுது அவை சரியாக நடைபெறும் என்று அரசாங்கம் நினைக்கிறதா? அதற்கு வேண்டிய பாதுகாப்பும் சீர்திருத்தமும் எல்லாம் செய்யப்பட்டுள்ளனவா ?

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The Hon. Sri R. VENKATARAMAN : நம்பிக்கைதான். நல்ல முறையில் நடக்குமென்று எதிர்பார்க்கிறோம். ஏனென்றால் தவறாக நடந்து ஒருமுறை சூப்பர்சீட் ஆனால் மறுபடியும் நல்ல முறையில் நடப்பதற்கு வழி இருக்கவேண்டும். ஆகையால் அதைப் பொருத்து இது சரியாக நடக்குமென்று எதிர்பார்க்கிறோம்.

Transfer of Government Servants

* 224 *Q.*—Dr. A. SREENIVASAN : Will the Hon. the Minister for Industries be pleased to state—

(*a*) whether the Government are aware that Government servants are frequently transferred and transferred in the middle of the year; and

(*b*) the principles on which the transfers are generally made?

The Hon. Sri R. VENKATARAMAN : (*a*) & (*b*) Government have issued instructions that frequent and unnecessary transfers should be avoided in the interest of economy as well as the convenience of the officers. These general instructions are, however, subject to exigencies of public service.

Dr. A. SREENIVASAN : Is it a fact that very often, without the least provocation, certain Government servants are transferred to far-off places and that the education of their children is interfered with, since they are not able to run two establishments?

The Hon. Sri R. VENKATARAMAN : That could not be correct because definite instructions have been issued that the officers should not be transferred within a period of three years and that if officers are transferred within a period of three years, they will have to record the special reasons for the transfer and submit the same to their superior officers. I do not think transfer is indiscriminately ordered.

Agricultural co-operatives

* 225 *Q.*—Sri T. P. SRINIVASAVARADAN : Will the Hon. the Minister for Industries be pleased to state—

(*a*) the number of agricultural co-operatives, districtwar in the Madras State as on 1st January 1961;

(*b*) the nature of the help and guidance given by them to the farmers; and

(*c*) the subsidy, if any, given by the Government to them?

The Hon. Sri R. VENKATARAMAN : (*a*) to (*c*) The answer [a] is placed on the table of the House.

Sri T. P. SRINIVASAVARADAN : Are the Government aware that the short-term and medium-term loans given to farmers by the agricultural banks are not used for the purpose for which they are intended?

The Hon. Sri R. VENKATARAMAN : Government cannot be aware of that except by way of general criticism. If particular instances are brought to their notice, they will look into them.

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[a] Printed as Appendix I on pages 162–163 infra.

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Sri T. P. SRINIVASAVARADAN : What is the average membership of a society?

The Hon. Sri R. VENKATARAMAN : It depends upon the type of society. A rural agricultural credit society may have anything between 200 and 300 members and agricultural banks may have 1,000.

Sri T. P. SRINIVASAVARADAN : Have the societies helped to increase agricultural production? Are Government satisfied?

The Hon. Sri R. VENKATARAMAN : Government are satisfied that increased co-operative credit has been given to agriculturists.

Sri T. P. SRINIVASAVARADAN : Have they helped in eliminating the middlemen between tenants and big religious and other institutions?

The Hon. Sri R. VENKATARAMAN : Obviously it is not possible to eliminate middlemen. The co-operative credit given in the State, which I think, is the highest in India, covers only 30 per cent of the credit needs of the agricultural population. The other portion is met from other sources.

Dr. A. SREENIVASAN : Have they been able to recover all loans?

The Hon. Sri R. VENKATARAMAN : It is too general a question. Unless particular instances are given, it is not possible to answer.

Sri T. P. SRINIVASAVARADAN : Are overdues more than 20 per cent of borrowings?

The Hon. Sri R. VENKATARAMAN : He may put a separate question.

Coimbatore District Co-operative Central Stores

* 226 Q.—Dr. A. SREENIVASAN (on behalf of Sri M. SUBBIAH CHETTIAR) : Will the Hon. the Minister for
3-10 p.m. Industries be pleased to state—

(a) whether any instances of defalcations have been brought to the notice of the Government in regard to the Coimbatore District Co-operative Central Stores; and

(b) if so, the amounts involved and the action taken or proposed to be taken thereon?

The Hon. Sri R. VENKATARAMAN : (a) Yes, Sir.

(b) The matter is under investigation.

Co-operative Spinning Mill

* 227 *Q.*—VIDWAN T. MUTHUKANNAPPAN : Will the Hon. the Minister for Industries be pleased to state—

(*a*) whether there is any proposal to open co-operative Spinning Mill at Kancheepuram; and

(*b*) if so, the stage at which the matter now stands?

THE HON. SRI R. VENKATARAMAN : (*a*) Yes, Sir.

(*b*) The grant of licence from the Government of India is awaited.

SRI S. K. SAMBANDHAN : *மற்ற ஜில்லாக்களிலும் ஏதாகிலும் இந்த கூட்டுறவு நெசவாலைகள் ஏற்படுத்துவதற்கு அரசாங்கத் திடம் இப்போது திட்டம் இருக்கிறதா என்பதை அமைச்சர் அவர்கள் சொல்வார்களா ?*

THE HON. SRI R. VENKATARAMAN : *சமீபத்தில் ஒரு கூட்டுறவு மில் கொடுக்கப்பட்டது. இதற்கு முன்பு 3 கூட்டுறவு மில்கள் நடந்துகொண்டு இருக்கின்றன. இரண்டு கட்டப்பட்டு வருகின்றன. மூன்ருவது ஐந்தாண்டுத் திட்டத்தில் மேற்கொண்டு இன்னும் மூன்று இடங்களில் கூட்டுறவு மில்கள் கொடுக்கவேண்டு மென்று கேட்டிருக்கிருேம்.*

SRI S. K. SAMBANDHAN : *அந்த மூன்று இடங்கள் எவை யென்பதை அமைச்சர் அவர்கள் சொல்வார்களா ?*

THE HON. SRI R. VENKATARAMAN : *அதை இப்போது சொல்லமுடியாது.*

SRI S. K. SAMBANDHAN : *தென்ஞற்காடு மாவட்டம் நெசவுத் தொழிலில் பெயர்போனதாக இருக்கிறது. அங்கு ஒரு கூட்டுறவு மில் ஏற்படுத்துவதற்கு அமைச்சர் அவர்கள் ஏதாவது உறுதி கூறமுடியுமா ?*

THE HON. SRI R. VENKATARAMAN : This is only a request and not an interpellation. (Laughter.)

SRI A. K. THANGAVEL MUDALIAR : *காஞ்சீபுரம் கூட்டுறவு ஸ்பின்னிங் மில் தனிப்பட்டவர்களுக்காகவா ? கூட்டுறவு மூலமாகவா ?*

THE HON. SRI R. VENKATARAMAN : *கூட்டுறவு மூலம் தான்.*

Industrial Training Centre

* 228 *Q.*—DR. A. CHIDAMBARANATHAN : Will the Hon. the Minister for Industries be pleased to state—

(*a*) whether any Industrial Training Centre for women is functioning in the State; and

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(b) if so, the number of persons undergoing training in this Centre at present?

THE HON. SRI R. VENKATARAMAN: (a) & (b) There is one Government Industrial Training Centre and 16 private aided Industrial Schools run exclusively for women in this State. A statement containing the number of persons undergoing training in these institutions, and the trade and the duration of the courses of study is placed on the table of the House.

DR. A. CHIDAMBARANATHAN: ஐயா, அரசாங்க ஆதரவில் நடைபெறுகிற சென்னை சேவா மன்றத்திலேகூட ஒரு (டி.டி.சி. வகுப்பு) ஆசிரியர் பயிற்சி வகுப்பு வைக்கும் எண்ணம் அரசாங்க்த்திற்கு உண்டா?

THE HON. SRI R. VENKATARAMAN: இப்போது அந்த விதமான யோசனை இல்லை.

DR. A. CHIDAMBARANATHAN: அதைப்பற்றி அரசாங்கம் கவனிக்குமா என்று அறிய விரும்புகிறேன்.

THE HON. SRI R. VENKATARAMAN: யோசனையை அங்கத்தினர் அவர்கள் எழுதியனுப்பினால் இலாகாவுக்கு அனுப்பப்பட்டு பரிசீலிக்க முடியும்.

Bakery Industry

* 229 Q.—SRI T. P. SRINIVASAVARADAN: Will the Hon. the Minister for Industries be pleased to state—

(a) whether any representation has been received from bakery owners in the State to exempt bakery industry from payment of sales tax; and

(b) if so, the action taken or proposed to be taken thereon?

THE HON. SRI. R. VENKATARAMAN: (a) Yes, Sir.

(b) The request was not complied with.

SRI T. P. SRINIVASAVARADAN: May I know the nature of the representation made?

THE HON. SRI R. VENKATARAMAN: They wanted exemption from sales tax.

SRI T. P. SRINIVASAVARADAN: Are not buns and loafs of bread perishable articles?

THE HON. SRI R. VENKATARAMAN: Yes, that is an argument but the Government decision is that it cannot be complied with.

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a Printed as Appendix II on pages 164-165 infra.

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Lignite Project

* 230 *Q.*—VIDWAN T. MUTHUKANNAPPAN: Will the Hon. the Minister for Industries be pleased the state—

(*a*) whether it is a fact that the Minister for Finance held discussions with the authorities of the Neyveli Lignite Corporation with regard to the progress of Lignite Project; and

(*b*) the stage of the progress made in the project?

THE HON. SRI R. VENKATARAMAN: (*a*) & (*b*) The answer [a] is placed on the table of the House.

VIDWAN T. MUTHUKANNAPPAN: மொத்தம் எவ்வளவு நிலக்கரி புதையல் கிடைக்கும்? எத்தனை நூற்றாண்டுகள் அந்த வேலை நீடிக்கும் என்று தோராயமாகக் கணிக்கப்பட்டிருக்கிறதா?

THE HON. SRI R. VENKATARAMAN: நூறு சதுரமைல் களுக்கு நிலக்கரி இருப்பதாக இப்போது எஸ்டிமேட் போடப்பட் டிருக்கிறது. ஆனால் இப்போது ஒன்றும் பயன்படும்படியான நிலைமை இல்லை.

VIDWAN T. MUTHUKANNAPPAN: நெய்வேலி வேலை பூரண மாக செயல்பட எத்தனை ஆண்டுகள் ஆகும் என்று எதிர்பார்க்கப் படுகிறது?

THE HON. SRI R. VENKATARAMAN: எந்த வேலை என்று குறிப்பிட்டால் சொல்லமுடியும். அங்கு பலதரப்பட்ட வேலைகள் நடக்கப்போகின்றன.

(1) மின்சாரம்
(2) உரத்தயாரிப்பு
(3) நிலக்கரி அச்சுகள் தயாரிப்பு
(4) க்ளே வாஷிங்

இப்படி பல காரியங்கள் அங்கே செய்யப்படுகின்றன. அவை யெல்லாம் 1965-66-க்குள் பூர்த்தியாகலாம் என்று நினைக்கிறோம்.

VIDWAN T. MUTHUKANNAPPAN: நெய்வேலி நிலக்கரி யையும் சேலம் இரும்பு தாதுப்பொருள்களையும் கொண்டு இரும்பு எஃகு உற்பத்தி இயந்திரம் தமிழ்நாட்டில் நிறுவுவது சாத்தியம் என்ற நம்பிக்கை அரசாங்கத்திற்கு ஏற்பட்டிருக்கிறதா?

THE HON. SRI R. VENKATARAMAN: அது பரிசீலனை செய்யப்பட்டு பூர்வாங்க அறிக்கையில் நம்பிக்கை ஊட்டுவதாக இருக்கிற காரணத்தால் அதற்குப் பணம்கூட ஒதுக்கி இருக் கிறோம். மூன்றாவது ஐந்தாண்டுத் திட்டத்தில் அது சேர்க்கப் பட்டு அதற்கும் பணம் ஒதுக்கப்பட்டிருக்கிறது.

VIDWAN T. MUTHUKANNAPPAN: இந்த ஆலை சேலத்தில் நிறுவப்படுமா அல்லது நெய்வேலியில் நிறுவப்படுமா?

THE HON. SRI R. VENKATARAMAN: அதை இப்போது சொல்வதற்கில்லை.

MR. CHAIRMAN: Questions are over.

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[a] Printed as Appendix III on page 166 infra.

[*Note.*—**An asterisk (*) at the commencement of a speech indicates revision by the Member.]**

II.—ANNOUNCEMENTS.

(1) MESSAGE FROM THE GOVERNOR.

MR CHAIRMAN : I have received a message from the Governor of Madras recommending to the Legislative Council the consideration of the Land Acquisition (Madras Amendment) Bill, 1961.

(2) MESSAGE FROM THE ASSEMBLY.

MR. CHAIRMAN : I have also received messages from the Deputy Speaker, Legislative Assembly, transmitting copies of the Land Acquisition (Madras Amendment) Bill, 1961 (L.A. Bill No. 11 of 1961) and the Indian Stamp (Madras Amendment) Bill, 1961 (L.A. Bill No. 14 of 1961) as passed by the Assembly for the recommendations of the Council and certifying that the Bills are Money Bills within the meaning of Article 199 of the Constitution of India.

I have also received a message from the Deputy Speaker, Legislative Assembly, transmitting a copy of the Madras Entertainments Tax (Amendment) Bill, 1961 (L.A. Bill No. 13 of 1961) as passed by the Assembly, for the concurrence of the Council.

I have further to announce to the House the following message received from the Deputy Speaker, Legislative Assembly :

'In accordance with sub-rule (1) of Rule 123 of the Madras Legislative Assembly Rules, I have the honour to intimate that the amendments made by the Council in respect of the Madras Chit Funds Bill, 1961 (L.A. Bill No. 5 of 1960) were taken into consideration by the Assembly at its meeting held on the 29th March 1961 and that the Assembly has accepted the amendments.'

I have the honour also to intimate that the following consequential amendment has also been made by the Legislative Assembly :

' In clause 64, as renumbered omit the words ' or as compensation for the composition of any offence under this Act '.

The amendment is sent for the concurrence of the Council.

[a] *Annexure*

In clause 21, after sub-clause (3) add the following Explanation :—

" *Explanation.*—For the purposes of sub-section (3), ' arrears of subscriptions ' shall mean all the previous instalments realised from the substituted subscriber '.

Delete clause 59.

Renumber clauses 60 to 70 as clauses 59 to 69.

III.—GOVERNMENT MOTION.

(1) MOTION UNDER RULE 23 (1) OF THE MADRAS COUNCIL RULES *re.* TRANSACTION OF GOVERNMENT BUSINESS ON A NON-OFFICIAL DAY.

THE HON. SRI R. VENKATARAMAN : Mr. Chairman, Sir, I move—

'That rule 23 (1) of the Madras Council Rules be suspended and this House do resolve to transact Government Business on Saturday, the 1st April, 1961'.

MR. CHAIRMAN : The question is—

'That rule 23 (1) of the Madras Council Rules be suspended and this House do resolve to transact Government Business on Saturday, the 1st April, 1961'.

The motion was put and carried.

IV.—GOVERNMENT BILLS.

(1) THE LAND ACQUISITION (MADRAS AMENDMENT) BILL, 1961 (L.A. BILL NO. 11 OF 1961).

MR. CHAIRMAN : The Hon. the Minister for Revenue will now move the Bill.

THE HON. SRI R. VENKATARAMAN : Sir, on behalf of the Hon. the Minister for Revenue I move . . .

* DR. A. LAKSHMANASWAMI MUDALIAR : Mr. Chairman, Sir, may I have a point of submission to make to the Chair? We are accustomed to empty benches opposite us and we have reconciled ourselves so far as Hon. Ministers may find important duties to perform when Bills which do not refer to them are considered by this House. Even in regard to questions we have reconciled ourselves to the position that some other Minister may answer on behalf of the Minister who should properly answer them. But, Sir, I should take very strong objection to the practice that is going on in this House in recent years, and I can speak with some knowledge because I have been here as an oldest member for the last fifteen years, that Ministers who are responsible for moving the Bills do not care to be present to move them. I consider this and I say that deliberately that it is in every way a discourtesy shown to this House. I cannot understand why, when the Council has been duly called and all Members are asked to be present irrespective of inconveniences, at least the Hon. Minister in charge of the Bill should not be present here to move the Bill. By that I do not mean to suggest that the Hon. the Leader of the House is not capable of moving it. In fact I am glad he is moving it. Let me tell him that frankly. But that is not the point. I raise this constitutional issue for your favourable consideration, Sir, that you, as the Chairman of this House, must insist on the Minister who is in charge of the Bill to be present in the House when it is moved so that he may follow the discussion and think about it because he has to frame the rules and he is also responsible for the rules

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framed under the Act. It is not the only fact. I am sure unless the Hon. Minister finds that he is indisposed or physically incapacitated from coming to the House, his first duty should be to the House and not to any function that he might have arranged at a time when he probably did not know whether the House would meet or not. That is my first submission.

The second submission, I shall not raise because you have been pleased to say that it must be discussed further. But I would submit once more that for considering important measures like this, which affect thousands of people, we should be given the necessary notice according to the Statutory rules. We should like to have the statutory provision observed that these Bills should be in the hands of the Members of the Council at least three days before

3-20 p.m. the Bill is taken up for consideration. This Bill, I understand, was passed yesterday in the other House. Some hon. Members of the Council told me that they received copies of the Bill only last night. As a matter of fact, I received the copy of the Bill only this morning. I think it is a serious matter, particularly when this is a Money Bill. It is not as if an emergency has arisen. It is not as if the lands will all be sold away in two days time and we cannot discuss it after two days. While I accept the position that you have asked us to accept without demur, I respectfully submit for your consideration once more that you may be pleased to take our viewpoint into consideration and give the necessary three days' notice for consideration of this Bill.

Yet another point I want to submit, Sir, is that this Bill is called a Bill to amend the Land Acquisition Act. Do this Government expect every one of us to buy a copy of the Land Acquisition Act? I have repeatedly stated that when these small beautiful chits are passed on to us, they carry no meaning whatsoever, unless the original Act is also made available to us. It is no good saying that the original Act is kept in the Library. There are persons who may not find it possible to go to the Library. Sir, on one famous occasion when an Act was not placed on the table during a former ministry's time, we did insist upon the Act being made available. I think, Sir, you are aware of that position, and the House was then adjourned for two days. Copies of that Act were then placed in the hands of the Members of the Legislature, and that created a sensation. Because, they were then able to understand how the Act that was presented was totally and erroneously presented to the House. I respectfully beg to invite the attention of the Members of the House and the Members of the Treasury Bench to these points, and I hope and trust that it will not be my painful duty to refer to this again.

* THE HON. SRI R. VENKATARAMAN : Mr. Chairman, with regard to the observations by the distinguished Leader of the Opposition, I want to submit that occasions when one Minister deputises for another Minister are very rare except during question-

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hour. When Bills are taken up, generally it is the Minister in-charge who pilots. But I cannot say that no occasion will arise on which another Minister will not be called upon to take charge of the Bill and pilot it. Therefore, while I appreciate the points raised by the distinguished Leader of the Opposition, I cannot say that it should be made an inflexible rule that only the Minister in-charge should pilot the Bill.

SRI S. NATARAJAN : At least he should be present when the Bill is taken up.

THE HON. SRI R. VENKATARAMAN : It all depends upon the exigencies of public administration. It is not possible to say that on all occasions he can be compelled to be present when the Bill is taken up for consideration.

With regard to the second point, Sir, I am not in a hurry to get this Bill passed to-day. If the House agrees to sit on the 3rd April or the 4th April, I am quite willing to have it on the 3rd or the 4th. When we put this in the order paper, we thought that the House was anxious to adjourn by the close of this day. If the House is willing to sit on the 3rd, the Government will be perfectly happy. I, for my part, will be prepared to have it on the third if the House so desires. Therefore, Sir, I am quite prepared to leave the matter to you. There are other Bills which can be taken up to-day. I, therefore, agree that the Bill may be taken up on the 3rd April 1961, if the House so desires.

MR. CHAIRMAN : I think the situation is not a very happy one. We do not expect all the Ministers to be in the House everyday, because it is an accepted fact that Ministers have got other business—not the business in the House alone—and particularly they have to be in their constituencies. This is an accepted thing. But I think this is the first time in this House that one Minister has to pilot another Minister's Bill. It may not be very difficult for the Minister in-charge of a Bill to pilot it himself in the Council. Perhaps this is a very exceptional case where the Minister could not possibly be present. But I am sure however that Ministers will take care that this does not recur.

Then, as regards the consideration of this Bill, if it is the opinion of the House that it should be taken up on the 3rd April 1961, I am perfectly agreeable.

DR. A. LAKSHMANASWAMI MUDALIAR : Sir, on behalf of the Members on this side of the House, I would plead that the Bill be taken up on the 3rd April 1961.

THE HON. SRI R. VENKATARAMAN : I agree.

V.—MOTION UNDER RULE 21 (3) OF THE MADRAS COUNCIL RULES.

DR. A. LAKSHMANASWAMI MUDALIAR : Sir, I move—

'That the Land Acquisition (Madras Amendment) Bill, 1961 (L.A. Bill No. 11 of 1961), as passed by the Legislative Assembly, be taken into consideration on the 3rd April 1961.'

The motion was duly seconded.

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MR. CHAIRMAN : The question is—

'That the Land Acquisition (Madras Amendment) Bill, 1961 (L.A. Bill No. 11 of 1961), as passed by the Legislative Assembly, be taken into consideration on the 3rd April 1961'.

The motion was put and carried.

IV. GOVERNMENT BILLS—*cont*.

(2) THE MADRAS ENTERTAINMENTS TAX (AMENDMENT) BILL, 1961 [a] (L.A. BILL NO. 13 OF 1961).

THE HON. SRI R. VENKATARAMAN : Mr. Chairman, Sir, I move—

'That the Madras Entertainments Tax (Amendment) Bill, 1961 (L.A. Bill No. 13 of 1961), as passed by the Legislative Assembly, be taken into consideration'.

Rule 50 (*a*) of the Madras Entertainments Tax Rules, 1939 empowers an officer of the Commercial Taxes Department not below the rank of an Assistant Commercial Tax Officer, to enter and search premises where records, accounts, tickets, etc., are kept, or suspected to be kept by a proprietor in respect of which an offence under the Act is reasonably suspected to have been committed, and to seize all or any of them for the purpose of investigation. The Committee on Subordinate Legislation has recommended the deletion of the rule on the ground that it is beyond the rule-making powers of the Government. The powers vested in the officers of the Commercial Taxes Department under the rule referred to, are necessary to check evasion of payment of entertainments tax by proprietors of entertainments. It is accordingly proposed to incorporate suitable provisions in that behalf in the Madras Entertainments Tax Act, 1939, itself.

It is considered necessary to give the Commercial Tax officials, the powers of a Collector under the Madras Revenue Recovery Act, 1864, and the Madras City Land Revenue Act, 1851, and of the Commissioners under the Madras Rent and Revenue Sales Tax Act, 1839, for purposes of recovery of amounts due, etc., under the Madras Entertainments Tax Act, 1939. For this purpose, it is proposed to incorporate provisions in the Madras Entertainments Tax Act, 1939, on the lines of section 29 of the Madras General Sales Tax Act, 1959 (Madras Act I of 1959). The Bill seeks to achieve the above two objects.

I request the House, Sir, to accept the motion.

MR. CHAIRMAN : Motion moved—

'That the Madras Entertainments Tax (Amendment) Bill, 1961 (L.A. Bill No. 13 of 1961), as passed by the Legislative Assembly be taken into consideration'.

The motion is before the House for discussion.

(After a pause.)

The question is :

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a Printed as Appendix IV on pages 167-168 *infra*.

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SRI MOHAMED RAZA KHAN : Sir, I want to speak on the Bill.

MR. CHAIRMAN : The hon. Member must be very quick in rising.

SRI MOHAMED RAZA KHAN : Sir, I support the Government here. I have carefully gone through his speech in the Assembly and I see, except for, if I can so use the term the mistake which he committed in saying that he would order a sudden check in a particular district without mentioning its name, it is all right. Now he has put the people on the alert. He could have used his discretion and avoided making that expression. (The Hon. Sri R. Venkataraman : Nothing wrong). I do not know what purpose is served. With regard to the actual state of affairs, I think the Governmtnt have got some basis as to how this evasion takes place. But although the Madras Government are not directly responsible, it happens in this way. The producers of films have to spend extra money apart from what is mentioned in documents and agreements. Some extra money is paid to the actors and actresses, and then this is passed on to the distributors. When the producers hand only their copies of the film to the distributors, apart from what is obtainable according to the agreement, they demand something extra. These distributors have to resort to the cinema houses either in the city or outside to make up the difference. The Government want to see that there is no evasion of tax. Everybody has to welcome this feature. What provokes me to speak is that I saw from the discussion in the Lower House that evasion was much more in the case of the touring cinemas, without the name of the place being mentioned. I have received a letter—possibly the Minister for Industries also might have received it—wherein it is stated how evasion takes place. If the Hon. Chairman permits, I will hand over this copy to the Hon. Minister.

THE HON. SRI R. VENKATARAMAN : I will be very grateful.

SRI MOHAMED RAZA KHAN : Before I hand it over, let me read one or two sentences from it, without disclosing the name of the talkies that is doing this. It is stated : 3·30 p.m.

" Two kinds of tickets are being sold out daily, one kind bearing some illegible rubber stamp seal presumably of the Office of Dy. Commercial Tax-Officer, and the other kind without any seal. It is suspected that the talkies prints simultaneously two books of tickets of same serial number and issues tickets to the public. When such evasion was suspected and enquired by the public the reply by the employee of the Theatre who was selling tickets there is ' it is none of the business of the cinema-goers .' As he was correct in his contention, i.e., ' cannot take daw into their own hand ', we are in duty bound to report such things and help the Government in collection of revenue without leakage."

This is signed by one dozen people and it is for the Hon. Minister to take action. So, there is a good deal of scope for increasing the revenue from this source. We have known it for four or five years that there is a good deal of evasion. From the speech of the Hon. Minister in the other House we see that evasion is much more in the case of touring cinemas than in the case of big cinema houses. It is morally wrong for anybody to deny what is due to Government by resorting to such tactics. I, therefore, support this measure.

* THE HON. SRI R. VENKATARAMAN : I am very grateful to the Chief Whip of the Opposition for the support he has given to us. Government are endeavouring their best to see that evasion is checked to the extent possible. Evasion is not only harming the Government but it is a great social disservice because the honest man is penalised. Honest people who pay their tax regularly are at a great handicap and so, there is a considerable volume of opinion even among the better class of theatre-owners that this should be checked. As I said, Government are thinking of having surprise checks in one or two districts. I mention it specifically because it is not our intention to harass them. Government want to warn them and in spite of the warning if they continue this practice, we will take action. I hope this warning of mine will be taken note of by those who are now resortng to this unhealthy practice.

SRI MOHAMED RAZA KHAN : What is the *modus operandi*?

THE HON. SRI R. VENKATARAMAN : That is exactly what I will not disclose. It is only then that I will put those people on guard. We feel that these surprise checks must keep all those people on vigil. What course I will adopt to ensure this, I will not say.

SRI MOHAMED RAZA KHAN : I am not asking about the method the Government wish to follow. I want to know the methods adopted by these people in the matter of evasion of tax.

THE HON. SRI R. VENKATARAMAN : There are two or three common methods. They are, receiving cash and letting people in, reissue of sold tickets, etc. Very often they collect the sold tickets, take them out, issue them to fresh people and let them in. There is considerable leakage on account of these practices. Government hope that with the powers they have now taken, they will be able to check evasion. I am grateful to the House for the co-operation it has given in eradicating this evil.

MR. CHAIRMAN : The question is—

"That the Madras Entertainments Tax (Amendment) Bill, 1961 (L.A. Bill No. 13 of 1961), as passed by the Legislative Assembly, be taken into consideration."

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The motion was put and carried and the Bill was taken into consideration.

Clauses 2 and 3 were put and carried.

Clause 1 and the Preamble were put and carried.

THE HON. SRI R. VENKATARAMAN : Sir, I move—

"That the Madras Entertainments Tax (Amendment) Bill, 1961 (L.A. Bill No. 13 of 1961), as passed by the Legislative Assembly, be passed."

MR. CHAIRMAN : The question is—

"That the Madras Entertainments Tax (Amendment) Bill, 1961 (L.A. Bill No. 13 of 1961), as passed by the Legislative Assembly, be passed."

The motion was put and carried and the Bill was passed.

(3) THE INDIAN STAMP (MADRAS AMENDMENT) BILL, 1961 (L.A. BILL NO. 14 OF 1961).

* THE HON. SRI R. VENKATARAMAN : Sir, on behalf of the Hon. the Minister for Revenue, I move—

"That the Indian Stamp (Madras Amendment) Bill,[a] 1961 (L.A. Bill No. 14 of 1961), as passed by the Legislative Assembly, be taken into consideration."

By the Indian Stamp (Amendment) Act, 1955 (Central Act 43 of 1955) which came into force on 1st April 1956, the rate of stamp duty on instruments relating to transfer of shares in an incorporated Company or other body corporate has been reduced to a rate of 12 annas (75 naye Paise) for every hundred rupees or part thereof of the value of the shares and this rate is uniform throughout India. The instruments relating to transfer of debentures and those relating to transfer of debenture stocks are similar to those relating to transfer of shares. They are however chargeable in this State with *ad valorem* stamp duty equal to one half of the duty payable on a conveyance equal to the face amount of the debenture. The Government of India have stated that it has been pointed out to them that investors buy debentures, on considerations of interest yield in the same manner as they buy Government securities, that a relatively heavy stamp duty is a powerful deterrent to the ready negotiability of debentures, that, most of the debentures are in the registered form and that the stamp duty payable on their transfer imposes a heavy burden on investors and seriously restricts free negotiability. They consider that, at a time when it is sought to bring about uniformity in trading practices observed on Stock Exchanges in the country, it is not only desirable but necessary that duties on all the instruments of the nature mentioned above should, as far as possible be identical and uniform throughout the

a Printed as Appendix V on page 168 infra.

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country. It is accordingly desirable that the duty on instruments relating to transfer of debentures and transfer of debenture stocks should also be reduced and fixed at the rate prescribed for transfer of shares.

The quantum of loss of revenue per annum that may result on account of the reduction of stamp duty on transfer of debentures cannot be assessed now. The Bill does not involve expenditure from the Consolidated Fund of the State. The Bill does not also involve delegation of any legislative powers.

I request the House, Sir, to accept the motion.

MR. CHAIRMAN : Motion moved—

"That the Indian Stamp (Madras Amendment) Bill, 1961 (L.A. Bill No. 14 of 1961), as passed by the Legislative Assembly, be taken into consideration."

SRI K. BALASUBRAMANYA AYYAR : Sir, we welcome this very wholesome provision. Probably, in other States this has already been made. Now, we are falling in line with other States. Debentures are marketable securities and they are negotiated in the same manner as shares. The stamp duty on shares has been reduced to 12 annas or 75 naye Paise per hundred and it follows the rate should be the same in the case of debentures. Formerly, they had an *ad valorem* duty on debentures. So, this is a welcome provision and we welcome the Bill.

THE HON. SRI R. VENKATARAMAN : I am grateful to the House for the support it has given. I hope that this piece of legislation will ensure free mobility stocks and shares in our State also.

MR CHAIRMAN : The question is—

"That the Indian Stamp (Madras Amendment) Bill, 1961 (L.A. Bill No. 14 of 1961), as passed by the Legislative Assembly, be taken into consideration."

The motion was put and carried and the Bill was taken into consideration.

Clause 2 was put and carried.

Clause 1 and the Preamble were put and carried.

3.40 p.m. THE HON. SRI R. VENKATARAMAN : Mr. Chairman, Sir, I move—

"That the Indian Stamp (Madras Amendment) Bill, 1961 (L.A. Bill No. 14 of 1961), as passed by the Legislative Assembly, be passed."

MR. CHAIRMAN : Motion moved—

"That the Indian Stamp (Madras Amendment) Bill, 1961 (L.A. Bill No. 14 of 1961), as passed by the Legislative Assembly, be passed."

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SRI K. BALASUBRAMANYA AYYAR : Mr. Chairman, Sir, I want to suggest one small matter to the Government. In clause 1 (3) it is stated that the Act shall come into force on such date as the State Government may, by notification, appoint. I think this may be given effect to immediately because this is a good thing. Since the Bill has been passed, they need not have a notification provision to bring it into force. They can bring it into force even from the 1st of April, unless they say it is 1st April and it is April Fools day. I do not see any other reason for putting it into force by another notification. The Government can very well do it immediately. That is all my submission, Sir.

* THE HON. SRI R. VENKATARAMAN : The notification provision is there because it was thought it would not be possible to pass the measure before the 31st of March 1961. If we were hopeful of getting the Bill through before that date, we would have put it as the 1st April 1961. So this is only to give the Government time to notify after the Bill is passed.

MR. CHAIRMAN : The question is—

" That the Indian Stamp (Madras Amendment) Bill, 1961 (L.A. Bill No. 14 of 1961), as passed by the Legislative Assembly be, passed."

The motion was put and carried and the Bill was passed.

(4) THE MADRAS CHIT FUNDS BILL, 1961 (L.A. BILL NO. 5 OF 1961)

* THE HON. SRI R. VENKATARAMAN : Mr. Chairman, Sir, I move—

" That the following further amendment made by the Legislative Assembly in respect of the Madras Chit Funds Bill, 1961 (L.A. Bill No. 5 of 1960), as passed by the Legislative Council, be taken into consideration :—

Clause 64.

In clause 64, as renumbered, *omit* the words 'or as compensation for the composition of any offence under this Act.''

Sir, you will remember that this House deleted clause 59 relating to composition of offences. But in clause 64 provision has been made for composition of offences. That has not been removed when we discussed the clause here. Therefore the further amendment made by the Assembly may be accepted.

MR. CHAIRMAN : Motion moved—

" That the following further amendment made by the Legislative Assembly in respect of the Madras Chit Funds Bill, 1961

(L.A. Bill No. 5 of 1960), as passed by the Legislative Council, be taken into consideration :—

Clause 64.

In clause 64, as renumbered, *omit* the words ' or as compensation for the composition of any offence under this Act."

SRI K. BALASUBRAMANYA AYYAR : I would only like to know whether this has again to go to the Assembly. That is all.

THE HON. SRI R. VENKATARAMAN : No, this is only an amendment which was carried in the Assembly. It has come before the House for concurrence.

MR. CHAIRMAN : They have accepted the amendment made by this House and made a consequential amendment. That has come here for concurrence.

THE HON. SRI R. VENKATARAMAN : Yes.

MR. CHAIRMAN : The question is—

" That the following further amendment made by the Legislative Assembly in respect of the Madras Chit Funds Bill, 1961 (L.A. Bill No. 5 of 1960) as passed by the Legislative Council, be taken into consideration :—

Clause 64.

"In clause 64, as renumbered, *omit* the words ' or as compensation for the composition of any offence under this Act."

The motion was put and carried.

MR. CHAIRMAN : I shall now put the amendment to the vote of the House. The question is :

"In clause 64, as renumbered, *omit* the words " or as compensation for the composition of any offence under this Act."

The amendment was put and carried.

MR. CHAIRMAN : The House will now adjourn and meet again at 3 p.m. on Monday, the 3rd April 1961.

The House then adjourned.

VI. PAPERS LAID ON THE TABLE OF THE HOUSE.

264. *Twelfth Report of the Committee on Subordinate Legislation of the Legislative Assembly (Second Assembly).*

265. *Notification issued with G.O. Ms. No.* 3322, *Home, dated* 21*st October* 1960 *regarding amendment to the Madras Motor Vehicles Rules*, 1940.

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266. *Review of Second Five-Year Plan of Madras State (Tamil version).*

* *Bills passed by the Assembly and received therefrom in the Council.*

(1) *The Land Acquisition (Madras Amendment) Bill,* 1961 (*L.A. Bill No.* 11 *of* 1961).

(2) *The Madras Entertainments Tax (Amendment) Bill,* 1961 (*L.A. Bill No.* 13 *of* 1961).

(3) *The Indian Stamp (Madras Amendment) Bill,* 1961 (*L.A. Bill No.* 14 *of* 1961).

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* **Sent by special messengers to all M. L. Cs. on 30th March 1961.**



APPENDIX I.

[Vide answer to starred question No. 225 asked by Sri T. P. Srinivasavaradan at the meeting of the Legislative Council held on 1st April 1961, page 145 supra.]

A.—(*a*) **The particulars regarding the agricultural co-operatives of various types functioning in the various districts as on 1st January 1961 are given below:—**

Serial number and name of the district. (1)	*Number of agricultural credit societies.* (2)	*Number of agricultural banks.* (3)	*Number of rural banks.* (4)	*Number of credit unions.* (5)	*Number of multi-purpose co-operative societies formed as adjuncts to credit unions.* (6)
1 Chingleput	757	33	3	18	58
2 Coimbatore	859	31	3	7	16
3 Kanyakumari	152	13	..	2	8
4 Madurai	961	42	1	9	33
5 Nilgiris	144	21	2	..	..
6 Ramanathapuram ..	830	20	2	38	152
7 Salem	660	37	2	..	..
8 Thanjavur	1,233	30	2	21	51
9 Tiruchirappalli ..	785	30	2	10	33
10 Tirunelveli	759	19	1	12	33
11 North Arcot	1,032	31	2	20	76
12 South Arcot	1,196	22	2	13	47
Total ..	9,368	329	22	150	507

(*b*) The agricultural co-operatives provide the farmers with short and medium-term loans for agricultural purposes, such as cultivation operations, purchase of seeds, fertilizers, agricultural implements, sinking or deepening of wells, installation of pump sets, etc. They charge $6\frac{1}{4}$ per cent per annum as interest on short-term loans and 7·2 per cent per annum as interest on medium-term loans. These rates are low when compared to the rate of interest levied by private money lenders. These societies also attend to certain service functions such as supply of agricultural requisites, arranging for the sale of the members' produce, advancement of loans to members on the pledge of their produce to enable them to hold their produce for a better market, provision of godown facilities, etc.

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(*c*) Government are extending financial assistance to the agricultural co-operatives for the following purposes ;—

(i) Subsidies are being allowed for the employment of paid managerial staff by the village societies newly organized and the societies taken up for development under the revitalization programme at the rate of Rs. 900 per society spread over a period of five years. In the case of agricultural banks and credit unions, such subsidies are allowed at the rate of Rs. 2,400 per bank or union spread over a period of three years and five years, respectively.

(ii) Financial assistance by way of loan up to Rs. 7,500 and subsidy up to Rs. 2,500 is being allowed to each agricultural or rural bank for the construction of office buildings with strong rooms for the safe custody of jewels and other valuables pledged with them by their members.

(iii) For the construction of godowns, rural credit societies are given assistance up to Rs. 10,000 per godown (Rs. 5,000 as loan and Rs. 5,000 as subsidy) and agricultural and rural banks up to Rs. 15,000 per godown (Rs. 10,000 as loan and Rs. 5,000 as subsidy).

(iv) The District Co-operative Central Banks are given subsidies for a period of three years on a tapering scale to enable them to employ necessary additional supervisory staff to supervise the agricultural co-operatives affiliated to them and help them in the matter of sanction and recovery of loans, writing up of accounts, etc.

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APPENDIX II.

[Vide answer to starred question No. 228 asked by Dr. A. Chidambaranathan at the meeting of the Legislative Council held on 1st April 1961, page 148 supra.]

Industrial Training Centre for Women.

Serial number and name of institution. (1)	*Trade taught and duration of the course of study.* (2)		*Number on rolls.* (3)
(a) GOVERNMENT INSTITUTIONS.			
1 Industrial Training Centre attached to Stree Seva Mandir, Madras.	1 Book binding	One year.	12
	2 Bleaching, dyeing and printing.	Do.	9
	3 Cutting and tailoring	Do.	33
	4 Embroidery and needle work..	Do.	14
	5 Hand-weaving	Do.	18
	6 Knitting with hand and machine.	Do.	10
(b) PRIVATE AIDED INSTITUTIONS.			
2 Seton School of Embroidery and Needle Work, Madras.	1 Needle Work, Dress Making and Embroidery.	Two years.	51
	2 T.T.C. in Dress Making ..	One year.	13
3 St. Joseph's Industrial School, Mylapore, Madras.	1 Needle Work, Dress Making and Embroidery.	Two years.	22
4 St. Joseph's Industrial School, Georgetown, Madras.	1 Do.	Do.	26
5 St. Anne's Industrial School, Royapuram, Madras.	1 Do.	Do.	31
	2 Weaving	Do.	8
6 Madras Seva Sadan Industrial School, Chetput, Madras.	1 Needle Work, Dress Making and Embroidery.	Do.	47
	2 T.T.C. in Dress Making, Needle Work and Embroidery.	One year.	11
7 Rani Rajyalakshmi Industrial School, Mylapore, Madras.	1 Needle Work, Dress Making and Embriodery.	Two years.	34
8 Madras Hindu Sevak Sangh Industrial School, Madras.	1 Do.	Do.	25
9 Church of South India Industrial School, Ikkadu, Chingleput.	1 Do.	Do.	28
10 St. Cecily's Industrial School, Kumbakonam.	1 Needle Work, Dress Making and Embroidery.	Do.	47
	2 Weaving	Do.	40
11 Holy Cross Industrial School, Golden Rock, Tiruchirappalli.	1 Needle Work, Dress Making and Embroidery.	Do.	40
	2 T.T.C. in Dress Making, Needle Work and Embroidery.	One year.	15
12 St. John De Britto Industrial School, Tiruchirappalli.	1 Do.	Do.	4
	2 Needle Work, Dress Making and Embroidery.	Two years.	21
	3 Weaving	Do.	24

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Industrial Training Centre for Women—cont.

Serial number and name of institution. (1)	*Trade taught and duration of the course of study.* (2)		*Number on rolls.* (3)
(b) Private Aided Institutions—*cont.*			
13 Sacred Heart Technical School, Cuddalore.	1 Needle Work, Dress Making and Embroidery.	Two years.	21
14 Holy Family Industrial School, Gnanaolivupuram, Madurai district.	1 Do.	Do.	37
15 R.C. Lace Industrial School, Vadakangulam, Tirunelveli district.	1 Do.	Do.	25
16 Kasturibai Gandhi Harijan Women's Tailoring and Embroidery Training Centre, Salem.	Cutting and Tailoring	One year.	25
17 Hindu Girls' Lace Industrial Lace Making School, Kudankulam, Tirunelveli district.	Lace Making	Do.	27

APPENDIX III.

[Vide answer to starred question No. 230 asked by Vidwan T. Muthukannappan at the meeting of the Legislative Council held on 1st April 1961, page 149 supra.]

A.—(*a*) Yes, Sir.

(*b*) Out of the total quantity of 27 million cubic yards of overburden to be removed from the first mine cut area to mine 3½ million tons of lignite, and about 20 million cubic yards to be removed to win smaller initial quantities needed for the Power Station, a quantity of 15·65 million cubic yards was removed up to the end of December 1960. Further work is in progress.

Supply of working drawings for most of the items for the Thermal Power Station were received. Civil works were taken up. Work on Administrative Buildings, Canteen, Time Office, Lake Pump House, Service House, Compressor Building, etc., was completed. Work in Main Power House Stacks, Cooling Tower, Coal Receiving Bunker, Crusher House, Turbo Generator, Gallaries, 110 KV and 33 KV Yard, etc., is in different stages of progress. The Russian Engineers had arrived at site for the works. They are rendering technical assistance. The component parts for Boiler Unit I and Turbo Generator Unit I have begun to arrive at site.

Contracts were concluded with Messers. Ansaldo, Italy, and P.B.L., West Germany for the supply of various groups of plant, machinery and equipment required for the Fertilizer Scheme. Final design drawings were received for a number of items coming under different groups of the Unit. Preparation of final design drawings is in progress for some items while basic drawings and designs are under preparation for the remaining items. Civil works for the installation of the plant are in progress. The first shipment of plant and machinery is expected to be received shortly and erection work will commence, after the equipment is transported to site.

The tenders received for the supply and erection of the Briquetting and Carbonization Plant are under consideration.

The tenders received for the supply and errection of the Clay Washing Plant were finalized and the contract was signed on 13th September 1960. The preliminary layout drawings of the Plant were received and they were under study. Drawings for civil works have been received and the work on the office building, main factory building, etc., has commenced.

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Appendix IV.

[*Vide* item IV (2) on page 154 supra.]

L.A. BILL No. 13 OF 1961.

(As passed by the Assembly)

***A Bill further to amend the Madras Entertainments Tax Act*, 1939.**

Whereas it is expedient further to amend the Madras Entertainments Tax Act, 1939 (Madras Act X of 1939), for the purposes hereinafter appearing;

Be it enacted in the Twelfth Year of the Republic of India as follows :—

1. *Short title.*—This Act may be called the Madras Entertainments Tax (Amendment) Act, 1961.

2. *Insertion of new section 10-A in Madras Act* X *of* 1939.—After section 10 of the Madras Entertainments Tax Act, 1939 (Madras Act X of 1939) (hereinafter referred to as the principal Act), the following section shall be inserted, namely :—

" 10-*A*, *Special powers of prescribed authority under Revenue Recovery Act.*—(1) The authority prescribed under sub-section (1) of section 7-A shall have the powers of a Collector under the Madras Revenue Recovery Act, 1864 (Madras Act II of 1864), and the Madras City Land Revenue Act, 1851 (Central Act XII of 1851), as amended by the Madras City Land Revenue (Amendment) Act, 1867 (Madras Act VI of 1867), for the purposes of recovery of any tax due under this Act.

(2) Subject to the provisions of sub-section (3), the said authority shall, for the purposes of recovery of any tax due under this Act, have the powers of the Commissioners under the Madras Rent and Revenue Sales Act, 1839 (Central Act VII of 1839), for the sale of property distrained for any tax due under this Act.

(3) Notwithstanding anything contained in the Madras Rent and Revenue Sales Act, 1839 (Central Act VII of 1839), the said authority in the exercise of the powers conferred by sub-section (2) shall be subject to the control and superintendence of his superior authorities."

3. *Insertion of new section 12-A in Madras Act* X *of* 1939.—After section 12 of the principal Act the following section shall be inserted, namely :—

" 12-A. *Powers of entry, search and seizure.*—(1) If any officer authorized by the State Government in this behalf has reasonable ground to suspect that a contravention of the provisions of this Act or the rules made thereunder has been committed, he may enter and search at all reasonable times any premises where books, records, accounts, registers, tickets, used and unused, and portions thereof, or any other article connected therewith are kept or suspected to be kept by proprietor of an entertainment, and, may,

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for reasons to be recorded in writing, seize such books, records, accounts, registers, tickets, used and unused, and portions thereof, or any other article connected therewith as he may consider necessary, and shall give the proprietor or the person in charge of the premises a receipt for the same. The books, records, accounts, registers, tickets and portions thereof, or any other article so seized shall be retained by such officer only for so long as may be necessary for the purpose of investigation.

(2) If any person prevents or obstructs entry, search or seizure by any such officer, he shall, in addition to any other punishment to which he is liable under any law for the time being in force, be punished with fine which may extend to five hundred rupees.''

APPENDIX V.

[Vide item IV (3) on page 157 supra.]

L.A. BILL No. 14 OF 1961.

(As passed by the Assembly.)

A Bill further to amend the Indian Stamp Act, 1899, *in its application to the State of Madras.*

WHEREAS it is expedient further to amend the Indian Stamp Act, 1899 (Central Act II of 1899), in its application to the State of Madras, for the purpose hereinafter appearing;

BE it enacted in the Twelfth Year of the Republic of India as follows :—

1. *Short title, extent and commencement*.—(1) This Act may be called the Indian Stamp (Madras Amendment) Act, 1961.

(2) It extends to the whole of the State of Madras.

(3) It shall come into force on such date as the State Government may, by notification, appoint.

2. *Amendment of Schedule I to Central Act II of* 1899.—In Schedule I to the Indian Stamp Act, 1899 (Central Act II of 1899), as amended by the Indian Stamp (Madras Amendment) Act 1958 (Madras Act XIV of 1958), in entry 60, for clause (*b*), the following clause shall be substituted, namely :—

"(*b*) of debentures, being marketable securities, whether the debenture is liable to duty or not, except debentures provided for the section 8;	Seventy-five naye Paise for every hundred rupees or part thereof for a consideration equal to the face amount of the debenture".

